

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

MAIL PROCESSING NETWORK RATIONALIZATION
SERVICE CHANGES, 2011

Docket No. N2012-1

**RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS NERI
TO PUBLIC REPRESENTATIVE INTERROGATORIES
(PR/USPS-T4—4(f-g) AND 6-9)
(March 6, 2012)**

The United States Postal Service files the responses of witness Neri (USPS-T-4) to the above-listed interrogatories of the Public Representative dated January 31, 2012. Each interrogatory is stated verbatim and followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS NERI TO
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PR/USPS-T4—4

In questions PR/USPS-T4-1 (b) you were asked to provide “empirical evidence illustrating ‘excess capacity’ for the mail processing network,” the supporting calculations and data. In your response to PR/USPS-T-4-1 (b) you refer to USPS-LR-N2012-1/44.

- f. What is the acceptable idle time in accordance with your analysis or other reliable analysis?
- g. In accordance with machine functionality, could the machines operate without idle time?

RESPONSE:

- f. The proposed operating plan was not developed using an idle time threshold.
- g. No.

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PR/USPS-T4—6

Please refer to LR-USPS-N2012-1/45, Materials Responsive to PR USPS-T4-3, LR45(Neri).xls. In the worksheet 'Assumptions' you state: "Facility Rankings were determined based on the following criteria:

- A weighted index for proposed volume
 - A weighted index for possible number of 5 Digits serviced
 - A weighted index for possible Delivery Points
 - A weighted index for proposed Equipment Count
 - A weighted index for expected Facility Complexity
- a. Please confirm that listed above are five factors that determined a facility ranking. If confirmed, please define complexity and how it was measured. If not confirmed, please explain.
 - b. Please explain the relative ranking of factors. For example: why is facility complexity weighted four times as much as the number of delivery points?

RESPONSE:

- a. The factors listed above have been used to determine facility ranking. Facility Complexity gives credit to each facility for product variety (letters, flats, parcels), responsibility over both outgoing and incoming operations, responsibility over any associated Annex facilities, ASF status, and multi level facility status.
- b. Based on the description above, Facility Complexity accounts for multiple mail processing distinctions within a facility. The possible delivery points encompass a single aspect of mail processing operations, and therefore more weight was placed on Facility Complexity.

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PR/USPS-T4—7

Please refer to LR-USPS-N2012-1/45, Materials Responsive to PR USPS-T4-3, LR45(Neri).xls. In the worksheet 'Assumptions' please define the sub-titles named 'OSS Stuffing' and 'OIE Stuffing.'

RESPONSE:

"OSS Staffing" refers to the Operations Support Specialist position within In Plant Support.

"OIE Staffing" refers to the Operations Industrial Engineer position within In Plant Support.

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PR/USPS-T4—8

Please refer to LR-USPS-N2012-1/45, Materials Responsive to PR USPS-T4-3, LR45(Neri).xls, worksheet 'P&DC-Annex Rollup'.

- a. Please confirm there are 120 unique finance numbers.
- b. Most of these finance numbers match the finance numbers that will be retained after network realignment, according to USPS-LR-20, FY2010_MODS_HOURS_SAS.xlsx. However, over 20 finance numbers do not match. Please explain why this worksheet does not contain the same finance numbers as the above-mentioned file in USPS-LR-20?

RESPONSE:

- a. Not confirmed.
- b. This analysis considered Facility Names, but not Finance Numbers.

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PR/USPS-T4—9

Please refer to page 29 and 30 of your testimony, figure 12 'Productivity'. Please provide the calculations, in electronic form, by which you arrived at the productivity improvements for each cost pool shown.

RESPONSE:

Please see the responses to POIR No. 1, Question 7, and NPMHU/USPS-T4-20.